

ILLINOIS: EXPORTS, JOBS, AND FOREIGN INVESTMENT

Exports Mean Jobs for Illinois Workers

- Nearly one-fifth (18.6 percent) of all manufacturing workers in Illinois depend on exports for their jobs. This is slightly below the national-level share of manufacturing workers supported by exports (20.5 percent). (2001 data latest available)
- Export-supported jobs account for an estimated 6.3 percent of Illinois's total private-sector employment (roughly one of every 16 jobs). (2001 data latest available)

Note: Export-related jobs estimates include only jobs supported by exports of manufactured goods; jobs generated by exports of services are excluded. Consequently, the numbers understate the total employment impact of exports. Source: State Export-Related Employment Project, International Trade Administration & Census Bureau.

Exports Help Sustain Many Thousands of Illinois Firms—Small As Well As Large

- A total of 18,656 companies exported goods from Illinois locations in 2001. Of those, 88 percent were small and medium-sized enterprises with fewer than 500 employees.
- Small and medium-sized firms generated over one-fifth (21.7 percent) of Illinois' total exports of merchandise in 2001.

Source: Exporter Data Base, International Trade Administration & Census Bureau

Economic Globalization: A Two-Way Street for Illinois

- In 2002, majority-owned affiliates of foreign companies employed 268,400 workers in Illinois, the fourth largest total among the 50 states.
- One-third of these foreign-investment-supported jobs (33 percent, or 89,300 workers) were in the manufacturing sector in 2002.
- Majority-owned affiliates of foreign firms accounted for 12.1 percent—almost one-eighth—of total manufacturing employment in Illinois in 2001.
- Foreign investment in Illinois was responsible for 5.2 percent of the state's total private-industry employment in 2001.
- Major sources of Illinois's foreign-investment-supported jobs in 2002 included the United Kingdom, Japan, Germany, France, and Switzerland.

Note: All figures exclude employment in banks affiliated with foreign companies. Source: Bureau of Economic Analysis.

Illinois Depends on World Markets

- Illinois's export shipments of merchandise in 2003 totaled \$26.5 billion, the seventh largest figure among the states.

- Illinois exported globally to 207 foreign destinations in 2003. The state's largest export market, by far, has been NAFTA member Canada. Illinois exported \$8.6 billion worth of merchandise to Canada in 2003, almost one-third of the state total. Canada was followed by fellow NAFTA nation Mexico (\$2.2 billion) and Japan (\$2.0 billion). Other top markets that year included the United Kingdom, Germany, Australia, Belgium, China, the Netherlands, and Brazil.
- Illinois's biggest growth market, in dollar terms, is China. From 1999 to 2003, export shipments to China rose from \$438 million to \$794 million, an increase of \$356 million. Other countries to which Illinois recorded large increases in merchandise exports over this period were Mexico (exports up \$291 million), the Netherlands (up \$215 million), Australia (up \$98 million), and Iraq (up \$90 million).
- Of Illinois's top 30 markets, exports of merchandise to Indonesia grew the fastest over the 1999-2003 period, rising 111 percent from \$46 million to \$98 million. Other rapidly-growing major markets for Illinois were Chile (exports up 98 percent), China (up 81 percent), Russia (up 78 percent), and Thailand (up 62 percent).
- The state's leading export category is machinery manufactures, which accounted for 26 percent, or \$6.9 billion, of Illinois's total merchandise exports in 2003. Other top exports are chemical manufactures (2003 exports of \$3.9 billion), computers and electronic products (\$3.7 billion), and transportation equipment (\$3.0 billion).
- In dollar terms, Illinois's leading manufactured export growth category is chemical manufactures. Export shipments of these products during the 1999-2003 period grew from \$3.1 billion to \$3.9 billion—an increase of \$835 million. Other manufactured export categories that registered large dollar growth from 1999 to 2003 were processed foods (up \$302 million); fabricated metal products (up \$181 million); and electrical equipment, appliances, and parts (up \$118 million).
- In percentage terms, Illinois's fastest-growing manufactured export category is leather and related products, which grew 276 percent from \$35 million in 1999 to \$132 million in 2003. Other fast-growing manufactured exports during this period were beverages and tobacco products (up 70 percent), non-metallic mineral manufactures (up 41 percent), and processed foods (up 30 percent).

Source: Origin of Movement State Export Series, Bureau of the Census.

Caution: The Origin of Movement series allocates exports to states based on transportation origin, i.e., the state from which goods began their journey to the port (or other point of exit) from the United States. The transportation origin of exports is not always the same as the location where the goods were produced. Consequently, conclusions about "export production" in a state should not be made solely on the basis of the Origin of Movement state export figures.

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